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ADVISORY COMMITTEE ON  
INTERNATIONAL POSTAL AND DELIVERY SERVICES  
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# Draft Proposals for the UPU Istanbul Congress – Reform of the Union

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## **Topics**

- **Legal Framework of the UPU**
- **Draft Proposals re reform of the Union**

# **Legal Framework of the UPU**

## "Acts" of the UPU

Act	Authority	Comment
Constitution	Congress	Permanent act. Very hard to change
General Regs	Congress	Permanent act. Defines powers of UPU bodies
Convention	Congress	40 articles. Reenacted every 4 years.
<b>Letter Post Regs</b>	<b>POC</b>	<b>177 articles; 68 forms. Adopted by POC after Congress. May be amended annually.</b>
<b>Parcel Post Regs</b>	<b>POC</b>	<b>122 articles; 24 forms. Adopted by POC after Congress. May be amended annually.</b>
Postal Payment Servs. Agreement	Congress	28 articles. Reenacted every 4 years. Applies only to signatories.
<b>PPSA Regs</b>	<b>POC</b>	<b>86 articles; 25 forms.</b>

Reservation	Member country	an exemption clause which purports to exclude or to modify the legal effect of a clause of an Act as it applies to that member country.
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# **Regulations adopted by the POC are binding on governments**

## **Constitution Article 22. Acts of the Union**

- 3 The Universal Postal Convention, the Letter Post Regulations and the Parcel Post Regulations shall embody the rules applicable throughout the international postal service and the provisions concerning the letter-post and postal parcels services. These Acts shall be binding on all member countries. Member countries shall ensure that their designated operators fulfil the obligations arising from the Convention and its Regulations....
5. The Regulations, which shall contain the rules of application necessary for the implementation of the Convention and of the Agreements, shall be drawn up by the Postal Operations Council, bearing in mind the decisions taken by Congress.

## **Gen. Regs. Article 141. Procedure for submitting proposals to the Postal Operations Council concerning the preparation of new Regulations in the light of decisions taken by Congress**

1. The Regulations of the Universal Postal Convention and the Postal Payment Services Agreement shall be drawn up by the Postal Operations Council in the light of the decisions taken by Congress.

# **Option to opt out of POC Regulations is severely limited**

## **Const. Article 22. Acts of the Union**

- 1 The Constitution shall be the basic Act of the Union. It shall contain the organic rules of the Union and shall not be subject to reservations.
- 2 The General Regulations shall embody those provisions which ensure the application of the Constitution and the working of the Union. They shall be binding on all member countries and shall not be subject to reservations.

## **Conv. Article 29. Terminal dues. Provisions applicable to exchanges between countries in the target system.**

- 8 No reservations may be made to this article, except within the framework of a bilateral agreement. [Article 30(4), transitional system, is identical].

## **Conv. Article 39. Reservations at Congress**

- 4 To become effective, proposals concerning reservations must be approved by whatever majority is required for amendment of the article to which the reservation relates.

## **POC Rules of Procedures. Article 14. Reservations to the Regulations revised by the POC**

- 8 The reservations shall be approved by a majority of the members having the right to vote.

# **POC directs the commercial functions of the UPU**

## **Gen. Regs. Article 113. Functions of the POC**

1. The Postal Operations Council shall have the following functions:
  - 1.1 Coordinates practical measures for the development and improvement of international postal services.
  - 1.2 Takes, subject to Council of Administration approval within the framework of the latter's competence, any action considered necessary to safeguard and enhance the quality of and to modernize the international postal service....
  - 1.9 Conducts the study of the most important operational, commercial, technical, economic and technical cooperation problems which are of interest to all member countries or their designated operators, including questions with major financial repercussions (charges, terminal dues, transit charges, airmail conveyance rates, parcel-post rates, and the posting abroad of letter-post items), and prepares information, opinions and recommendations for action on them....

# The POC is a council of designated operators

## Gen. Regs. Article 112. Composition and functioning of the POC

1. The Postal Operations Council shall consist of forty members who shall exercise their functions during the period between successive Congresses.
2. The members of the Postal Operations Council shall be elected by Congress on the basis of qualified geographical distribution. Twenty-four seats shall be reserved for developing member countries and sixteen seats for developed member countries. At least one third of the members shall be renewed at each Congress.
3. Each member of the Postal Operations Council shall appoint its representative, who shall have responsibilities for delivering services mentioned in the Acts of the Union. The members of the Postal Operations Council shall take an active part in its work.

# The POC is dominated by 19 DOs with "permanent" seats

<b>1. Belgium</b>	<b>11. Italy</b>
<b>2. Brazil</b>	<b>12. Japan</b>
<b>3. Canada</b>	<b>13. Netherlands</b>
<b>4. China</b>	<b>14. New Zealand</b>
<b>5. Cuba</b>	<b>15. Nordic*</b>
<b>6. Egypt</b>	<b>16. Russia</b>
<b>7. France</b>	<b>17. Spain</b>
<b>8. Germany</b>	<b>18. Switzerland</b>
<b>9. Great Britain</b>	<b>19. United States</b>
<b>10. India</b>	

\* Nordic seat alternates between Denmark, Finland, Norway, and Sweden.

Red font = industrialized country.

# **Relationship between acts of the UPU and national law**

## **Const. Article 24. National legislation**

The provisions of the Acts of the Union shall not derogate from the legislation of any member country in respect of anything which is not expressly provided for by those Acts.

# Fundamental issues presented by the UPU legal framework

- **Governments have delegated authority over their countries to a Council characterized by unacceptable conflicts of interest.**
  - Combining governmental and commercial functions in a single group creates a conflict of interest.
  - Exercise of governmental authority by a committee of designated operators creates a conflict of interest.
  - Exercise of governmental power by commercial entities raises questions under US (due process) and EU (state aid) laws.
- **Governments have delegated authority over their countries without appropriate controls or limits.**
  - POC Regulations are adopted and revised after Congress adjourns, so Congress cannot know the content of the Regulations binding on them.
  - The Convention does not provide a specific delegation of authority to the POC so POC Regulations can (and do) extend beyond the provision of the Convention approved by Congress.

# The UPU has failed to adopt appropriate structural reform

- 1992 UPU Group of Postal Experts, "Report on the Management of the Work of the UPU."
- 1992 CEPT separates govt/organizational function in Europe.
- 1996 French ministry, Report on management of Union's work. CA GT 1.1 Doc 4

"[A]n increasing number of States have considered they could no longer be 'judge and party' and have chosen to separate public authority responsibilities from operational functions both organically and functionally.... Just as governments have had to adapt, the UPU, as an intergovernmental body, must also take this new situation on board. The UPU was set up at a time when States were the only actors in the postal sector. Since then it has acquired a very strong 'operational' responsibility. "
- 1999 Beijing Congress. U.S./German Proposals 33 and 66 to convene Extraordinary Congress to implement reforms including appropriate separation of functions.
- 2001 CA High Level Group o the Future Development of the UPU, SubGroup 2. "Five Options Paper". CA HLG SG 2 2001.1-Doc 2.
- 2010 PWC, "Study on the impact of new market players in the postal sector on the Union and its mission and activities".

# Draft Proposals re reform of the Union



To Part II

# Draft Proposals re reform of the Union



To Part I

# Proposed amendments to the Convention

## 2012 Convention

- 29 Terminal dues. General provisions
- 30 Terminal dues. Provisions applicable to mail flows between designated operators of countries in the target system
- 39 Reservations at Congress

## Draft Proposal

- 29 Terminal dues. General provisions\*
- 30 Terminal dues. Provisions applicable to mail flows between designated operators of countries in the target system\*
- 37bis Regulations implementing the Convention**
- 39 Reservations at Congress**

\* Conforming amendments

# **Reform the Union proposals**

- **Add reasonable limits to the POC's rulemaking authority in 2018.**
  - POC Regulations implementing the Convention must be authorized by the Convention.
  - POC Regulations applicable to Posts are effective immediately.
  - Require Council of Administration approval for Regulations which:
    - Limit the authority of governments; or
    - Involve matters of fundamental policy or principle.
  - Prohibit Regulations which derogate from the legislation of any member country in respect of anything which is not expressly provided for by this Convention.
- **Adopt ITU procedures for reservations to Convention.**
- **Establish High Level Group of Government Officials to prepare plan for UPU institutional reform for 2020 Congress.**
  - Government officials or experts from 20 major countries and 5 other countries.
  - Plan for complete separation of governmental and operational functions by July 2, 2018, for consideration by 2020 Congress.
  - Maintain current goals of fostering “international collaboration in the cultural, social and economic fields” and maintaining a “single postal territory.”

## Draft Proposal U1

### New Convention article 37bis defining the authority of the POC to adopt Regulations implementing the Convention

Convention – Proposal

UNITED STATES OF AMERICA

Add a new article as follows [boldface indicates new text]:

#### Article 37bis

##### Regulations implementing the Convention

- 1      **The Postal Operations Council is authorized to adopt such Regulations as may be necessary and proper to implement the provisions of this Convention, but such Regulations shall not exceed the authority expressly granted in this Convention.**
- 2      **Except as provided in paragraph 3, a Regulation pursuant to paragraph 1 which establishes mandatory or voluntary operational standards for designated operators shall become effective upon approval of the Postal Operations Council.**
- 3      **A Regulation pursuant to paragraph 1 which has the practical effect of limiting the authority of governments of member countries or which is determined by the Council of Administration to involve matters of fundamental policy or principle shall become effective upon approval of the Council of Administration.**
4.      **The Council of Administration shall not approve any provision of any Regulation which derogates from the legislation of any member country in respect of anything which is not expressly provided for by this Convention.**

#### Conforming amendments

None.

#### Notes

- 1)      Nothing in the current Convention explicitly defines the authority of the Postal Operations Council to adopt Regulations implementing the Convention. The POC's general rulemaking authority is set out in article 113 of the 2012 General Regulations which lists the functions of the POC. The wording of paragraph (1)(13), the rulemaking provision dates from

1989 and reflects uncertainty in 1989 surrounding the concept that Congress could delegate legislative authority to a committee of the Union. In 1989, the delegation was to the Executive Council, predecessor of the CA, and the grant of legislative authority was made more palatable by portraying it as no more than authority to revise Regulations already blessed by Congress. In the 2012 General Regulations, article 113(1)(13) states:

The Postal Operations Council shall have the following functions: . . .  
.. (13) *Revises the Regulations of the Union within six months following the end of the Congress unless the latter decides otherwise; in case of urgent necessity, the Postal Operations Council may also amend the said Regulations at other sessions; in both cases, the Postal Operations Council shall be subject to Council of Administration guidance on matters of fundamental policy and principle.* [emphasis added]

In addition, article 141 of the 2012 General Regulations, which is of more recent origin, addresses “the procedures for submitting proposals to the POC concerning the preparation of new Regulations in the light of decisions taken by Congress.” It states:

(1) The Regulations of the Universal Postal Convention and the Postal Payment Services Agreement shall be drawn up by the Postal Operations Council *in the light of the decisions taken by Congress.* [emphasis added]

Thus, to the extent that the current acts of the UPU address delegation of rulemaking authority to the POC, it is clear that this authority subject to direction by Congress and the CA.

Paragraph 1 of proposed article would provide an explicit delegation of authority from Congress to the POC to adopt Regulations implementing the Convention. At the same time, the paragraph would limit the authority of the POC to the provisions of the Convention — a limitation not clear from current acts — and provide that with respect to certain Regulations the guidance of the CA must include approval by the CA.

- 2) Paragraph 2 allows the great bulk of Regulations — those regulating the operations of DOs— to become effectively immediately upon approval by the POC, as in the current acts.
- 3) Paragraph 3 provides that no Regulation which is binding on governments of member countries (as distinct from DOs) or which is determined by the Council of Administration to involve matters of fundamental policy or principle can become effective without approval of the Council of Administration.
- 4) Paragraph 4 provides that the CA shall not approve any Regulation which “derogates from the legislation of any member country in respect of anything which is not expressly provided for by this Convention”. This requirement gives effect to Article 24 of the Constitution which provides that “The provisions of the Acts of the Union shall not derogate from the legislation of any member country in respect of anything which is not expressly provided for by

those Acts.” If Congress has not “expressly provided” for a derogation of national legislation in the Convention, then the POC should not be authorized to do by Regulation.

## **Draft Proposal U2**

### **Amendment to Convention article 37bis defining the authority of the POC to adopt Regulations implementing the Convention**

Convention – Proposal

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Article 39

Reservations at Congress

**UNITED STATES OF AMERICA**

Amend to read as follows [boldface indicates new text]:

- 1 As a general rule, any member country whose views are not shared by other member countries shall endeavour, as far as possible, to conform to the opinion of the majority.
- 2 Reservations to any article of the present Convention **may** be submitted to Congress as a Congress proposal written in one of the working languages of the International Bureau and in accordance with the relevant provisions of the Rules of Procedure of Congresses.
- 3 **Any member country may also, during Congress, reserve its right to make reservations as specified in its declaration when signing the final acts until such time as its instrument of ratification, acceptance, or approval of or accession to the Convention has been notified to the International Bureau.**
- 4 In principle, reservations shall be applied on a reciprocal basis between the reserving member country and the other member countries.
- 5 Reservations to the present Convention **made at Congress** shall be inserted in the Final Protocol to the present Convention.
- 6 **An up-to-date compendium of reservations to the present Convention filed after Congress adjourns shall be maintained and published regularly by the International Bureau.**

#### Conforming amendments

See note 4, below.

## Notes

1) A “reservation” allows a member country to agree to the Convention generally while declining to accept the application of a specific provision. The 2004 and 2008 UPU Congresses introduced extraordinarily strict requirements for reservations to the Convention.

These provisions were prompted, in part, by a U.S. reservation to the terminal dues provisions of the 1999 Universal Postal Convention. At the 1999 Congress, the U.S., with a hopeful eye on the upcoming round of WTO negotiations, reserved “the right to implement these terminal dues agreements in accordance with the provisions adopted in negotiations involving the General Agreement on Trade in Services.” The reservation, in turn, prompted more than 40 countries to file a “counter-reservation” asserting right to hold the U.S. to the UPU terminal dues provisions regardless of U.S. commitments in future trade agreements. This debacle was due to some extent to the very short time available for discussing reservations that, under UPU rules, must be filed at Congress.

According to current UPU practice, Convention article 39 requires that a reservation (1) must be submitted during Congress; (2) must be an “absolute necessity [with] proper reasons given”; (3) must be approved by a majority of delegates; and (4) may be rejected (or presumably held invalid in arbitration) if “incompatible with the object and purpose of the Union.” This procedure makes it virtually impossible for a UPU member country to comply with its national laws if they do not conform to the predispositions of a majority of UPU member countries — for example, a country whose postal laws require that rates are based on costs, or whose competition laws prohibit price-fixing, or whose trade laws prohibit discrimination based on national origin. A strict reservations policy discourages wide participation in a multilateral convention because potential signatories are faced with a “take or leave it” decision with respect to the convention as a whole.

The reservations policy of the International Telecommunications Union is more flexible. A member country may assert reservations at any time up to its final ratification, i.e., the final approval by its government after the end of a conference. A reservation does not have to be approved by a majority of ITU members. Nor does it have to meet the tests of “absolute necessity [with] proper reasons given” and “compatible with the object and purpose of the Union.”

2) The restrictive UPU requirements are omitted in the article as a whole. Paragraph 3 adds the post-Congress reservation procedure of the ITU as an alternative to present at-Congress procedure of the UPU, set out in paragraph 2.

3) Paragraph 4 retains the current UPU provision which states that reservations should normally be interpreted as having reciprocal effect. This is the customary practice in international law. For example, if X declines to be bound by provision P, then another signatory country Y is not obliged to give X the benefit of P in relations with X.

4) This proposal might be challenged under article 1bis of the UPU Constitution. This article

is a list of definitions of terms. However, the definition of “reservation,” introduced in the 2008 Congress, could be interpreted to provide substantive requirements as well as defining the term. Article 1bis(1)(8) of the Constitution provides as follows:

1 For the purpose of the Acts of the Universal Postal Union, the following terms shall have the meanings defined below: . . .

1.8 Reservation: an exemption clause whereby a member country purports to exclude or to modify the legal effect of a clause of an Act, other than the Constitution and the General Regulations, in its application to that member country. Any reservation shall be compatible with the object and purpose of Union as defined in the preamble and article 1 of the Constitution. It must be duly justified and approved by the majority required for approval of the Act concerned, and inserted in the Final Protocol thereto.

If so, the industrialized countries may be forced to reconsider participation in the UPU. Changing the Constitution is extremely difficult. An amendment requires approved by two thirds of the member countries of the Union having the right to vote.

### **Draft Proposal U3**

**Congress resolution establishing an independent High Level Group of Government Officials to develop a plan for restructuring the UPU to separate governmental and operational functions**

Proposal of a general nature

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**UNITED STATES OF AMERICA**

**Resolution** [boldface indicates new text]

**Establishing a High Level Group of Government Officials to develop a plan for reforming the institutions of the Union to achieve a complete separation of governmental and operational/commercial functions**

Congress,

In view of

the rapidly changing postal markets and business environment influenced by globalization, market liberalization, regulation, and more sophisticated customer demands, [C9/2012]

Noting

a general decline in letter volumes [C44/2012] and, at the same time, the growth potential of UPU lightweight package services and the importance of security, transport and customs to the performance and competitiveness of those services, [C32/2012]

Considering

that the 21st century is the information society era, in which various forms of Internet-based economic activities are developing at unprecedented speed, and that the explosive development of e-commerce is changing people's way of life, [C33/2012]

Considering also

that demand for cross-border e-commerce transactions is increasing significantly as a result of the rapid development of e-commerce, and that there is huge potential for developing markets and increasing profit margins and that Posts are actively exploring ways of becoming main providers of cross-border e-commerce solutions, [C33/2012]

Bearing in mind

that the international postal market is increasingly characterized by liberalization, deregulation,

and rising customer expectations, in addition to growing competition from technological substitution and private competitors, as well as between the public operators of member countries, [UPU Postal Operators Statement of Values]

Bearing in mind also

that many member countries are transforming their old designated operators into commercial entities, and introducing competition into the letter-post market, [C38/2012]

Bearing in mind also

that in liberalized markets, designated operators may find it advantageous to collaborate with, and use the services of, private sector commercial operators for the delivery of postal items, [C56/2008]

Bearing in mind also

that the fast-changing internal and external environment, which has led member countries to accelerate postal reform in recent years, and prompted an increasing separation of regulatory and operational functions [C13/2012]

**Recognizing**

that a 2010 study of the global market for conveyance international letters, and lightweight parcels and express mail service items, prepared for the Postal Operations Council by Adrenale Corporation, estimated that in 2008 the share of designated operators was about 80% in volume and 37% of revenues and that this represented a sharp decline from in 1998 when the designated operators' share was about 90% in volume and 48% in revenue;

**Recognizing also**

that the Adrenale report concluded that in 2008 almost three-quarters (by revenue) of the global market for conveyance international letters, and lightweight parcels and express mail service items was provided by just five operators, of whom two were wholly or partly privatized designated operators and two were non-designated operators;

**Recognizing also**

that, although the Postal Operations Council did not update the 2010 Adrenale study in the last cycle, the designated operators' share of the global market has likely continued to decrease while market concentration has likely continued to increase;

**Recognizing also**

that a 2010 study of the impact of new market players in the postal sector on the Union and its mission and activities, prepared for the Council of Administration by PricewaterhouseCoopers, concluded that 160 of 182 member countries surveyed had separated the

**designated operator from government and that 63 member of these countries, accounting for the great majority of international mail, had taken the further step of establishing an independent regulator;**

Recognizing also

that the 2010 PricewaterhouseCoopers study called attention to an increasing trend for designated operators to participate in bilateral agreements and multilateral agreements outside of the framework of the Union to achieve commercial, operational, and legal objectives which could be adequately achieved within the Union's legal framework;

Recognizing also,

that the fundamental recommendation of the PricewaterhouseCoopers study was that the Union should be restructured to achieve "a clear separation of governmental, regulatory and operational roles";

Recognizing also

that the permanent bodies of the Union have continuously studied the need for separation of governmental and regulatory functions since the establishment of the Group of Postal Experts by the 1989 Washington Congress but that they have not developed a satisfactory plan for consideration by Congress that achieves a clear separation of governmental, regulatory and operational roles;

Recognizing also

that for more than 20 years the restricted union in Europe has successfully governed the regional postal sector after implementing institutional reforms that provide a clear separation of governmental, regulatory and operational roles;

Concludes

that the 27th Congress of the Union, to be convened in 2020, should have before it for consideration, in addition to any other proposals relating to reform of the Union, a comprehensive plan, drawn up by independent government officials, to adapt the organization of the Union to the needs and realities of the 21st century by, inter alia, restructuring the Union to achieve a clear separation of governmental, regulatory and operational roles;

Appoints

\_\_\_\_\_ as the chairman of a High Level Group of Government Officials which shall be composed of the chairman and 25 additional members, as follows:

- one official or independent expert appointed by each government of the G-20 Group of countries;

- one official or independent expert appointed by each of five countries which are selected by the chairman and the G20 members from among the member countries of the Union to represent the views non-G20 countries;

#### Earnestly requests

that each such country ensure that its appointee is (1) competent in matters of international law and regulatory practice generally and (2) without an interest in or relationship with a designated operator or other provider of international delivery services which could call into question the independence or impartiality of the work of such person or the High Level Group itself;

#### Charges

the High Level Group with the task of preparing a comprehensive plan for reforming the institutions of the Universal Postal Union that achieves the following criteria as completely as practicable:

- that the body that exercises governmental and regulatory functions shall
  - be composed of government officials without an interest in or relationship with a designated operator or other provider of international delivery services;
  - be legally separate from and operationally independent of the body that exercises commercial and operational functions of the Union;
  - continue to contribute to the attainment of the noble aims of international collaboration in the cultural, social and economic fields,
  - foster transparency, impartiality towards affected parties, and efficiency of operation in accordance with the best practices of other similar inter-government organizations;
- that the body that exercises commercial and operational functions shall
  - be composed of officials of designated operators and, where appropriate, non-designated operators;
  - have full authority, acting within the legal framework established by the governmental body of the Union and by other international and national laws, to stimulate the lasting development of efficient and accessible universal postal services of quality in order to facilitate communication between the inhabitants of the world by:
    - guaranteeing the free circulation of postal items over a single postal territory composed of interconnected networks;

- encouraging the adoption of fair common standards and the use of technology;
- ensuring cooperation and interaction among stakeholders;
- promoting effective technical cooperation;
- ensuring the satisfaction of customers' changing needs;
- that the plan should define the relationships between the two bodies and include such other provisions and recommendations as the High Level Group deems appropriate.
- that the plan shall be presented to the Council of Administration and the Postal Operations Council no later than July 1, 2018, in order to give both bodies adequate time to consider implications of the plan in preparation for the 27th Congress;

**Requests further**

**that, in order to ensure the independence of the High Level Group, that each country appointing a member to the Group provide such leave from other duties and such financial and staff support as that member may require for service in the Group;**

**Enjoins**

**the Council of Administration, the Postal Operations Council, the Consultative Committee, and the International Bureau to provide the High Level Group with whatever assistance and support the High Level Group considers necessary and appropriate.**

**Notes**

- 1) The initial observations (to the last "bearing in mind") recognize the changing market conditions and legal framework and, in particular, the increasing focus of designated operators on competitive international package delivery services. These are copied substantially verbatim from resolutions adopted by the 2012 Doha Congress or, in few cases, earlier congresses. References to the original resolutions are provided in brackets. These are the same as in the resolution set out in Draft Proposal C2.
- 2) The "recognizes" clauses lay the groundwork for appointing a High Level Group of Government Officials to develop a plan for reorganizing the UPU that will provide, as PAEA declares, "a clear distinction between governmental and operational responsibilities with respect to the provision of international postal services and other international delivery services." Not only is this a statutory goal of the PAEA, but since 1989 study after study for the UPU has recognized the radical shift from a network of government monopolies to a market of competitive delivery services and the corresponding need to better separate governmental and operational functions. Indeed, more than 20 years ago, Europe reformed its "restricted union" by creating the European Conference of Postal Regulators and PostEurop. More recently, the

2010 PricewaterhouseCoopers study for the CA's Reform of the Union Project Group, drawing on data from the 2010 Adrenale study, amply made the case for its recommendation for "a clear separation of governmental, regulatory and operational roles." In all cases, however, such initiatives have been blocked by the officials of the DOs in the CA, POC, and International Bureau.

3) The "appoints" and "instructs", etc., clauses create the High Level Group. According to the proposal, the first step would be to appoint a chairman who would act as the direct representative of Congress. This person could be a government official who is well known to the delegates in Congress, versed in institutional issues, and yet reasonably independent. Alternatively, this person could be a well respected figure from the world of intergovernmental organizations outside the UPU. In addition to the chairman, the HLG should include government officials from the leading countries of the world. The set of G-20 countries appears to be a plausible set of such countries. In addition, the HLG should include additional members who can represent the needs of smaller countries.

According to the proposal, in developing a new structure for the UPU, the HLG should take care that the governmental and operational bodies are capable to continuing the basic missions of the UPU. The governmental body should be able to "continue to contribute to the attainment of the noble aims of international collaboration in the cultural, social and economic fields." The operational body should be able to maintain "the free circulation of postal items over a single postal territory composed of interconnected networks; encouraging the adoption of fair common standards and the use of technology; [etc.]." These phrases are taken from the Preamble to the UPU Constitution. Even at this abstract level, the Preamble reflects the dual nature of the UPU: part public policy and part advancement of postal operations.

The proposal would require a report from the HLG by July 1, 2018, in order to allow member countries and UPU institutions sufficient time to prepare for the 2020 Congress.

The work of the HLG should not be demanding for members, either in time or expenses. In order to ensure independence of the HLG, it is proposed that member countries cover the costs and staffing of High Level Group.